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FM AMEMBASSY KYIV
TO RUEHC/SECSTATE WASHDC PRIORITY 0876
INFO RUCPDO/DEPT OF COMMERCE WASHDC
RUEHGV/USMISSION GENEVA 0039
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UNCLAS SECTION 01 OF 02 KYIV 000082

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E.O.: 12958: N/A
TAGS: [ETRD](#) [WTRO](#) [ECON](#) [PGOV](#) [UP](#)
SUBJECT: UKRAINE WTO UPDATE: JANUARY 12

REF: A. 2006 KYIV 4667
[B](#). 2006 KYIV 4648
[C](#). 2006 KYIV 4576

[1](#)1. (SBU) Summary: Ukraine's Parliament passed a resolution on January 9 calling for a speedy conclusion to WTO accession negotiations. The GOU is working on five outstanding regulatory acts, to be issued at the Cabinet of Ministers level or below, which are required for accession. These five acts are currently going through the interagency clearance process. The GOU is anxious to receive feedback from major trade partners regarding recently adopted legislation. To keep accession on track, Ukraine hopes for consultations in Washington in late January to be followed by a Working Party meeting in mid-February. A Ministry of Economy official conveyed to us the Ministry's belief it had removed obstacles to U.S. beef and pork imports, and its desire to begin discussing an audit of the U.S. veterinary inspection system. Two shipments of U.S. beef entered Ukraine. End Summary.

[1](#)2. (U) This latest edition in a series of regular update cables regarding the status of Ukraine's WTO accession (refs B-C and previous) covers the period December 23 - January 12.

Rada Pushes for Accession

[1](#)3. (U) The Rada (parliament) passed a non-binding resolution on January 9 calling on the Cabinet of Ministers to take all necessary measures to conclude negotiations for Ukraine's WTO accession. A total of 311 MPs voted for the resolution in a show of support for a speedy accession.

Outstanding Normative Acts

[1](#)4. (U) Following the passage of the lion's share of WTO-required legislation at the end of 2006, the GOU has now turned to outstanding regulatory acts required for Ukraine to join the WTO. These regulatory acts, while not as critical as the WTO-related legislation, require no parliamentary action and are much less contentious. The GOU issued one set of regulations, concerning import licensing procedures, back in November, and has identified five more as required for accession:
-- Cabinet of Ministers Resolution on the registration of medicinal drugs
-- State Customs Service Order on customs valuation procedures
-- Cabinet of Ministers Resolution on plant varieties
-- Ministry of Transportation Order on railway transport rates
-- Cabinet of Ministers Resolution on quota allocation for import of

raw cane sugar

15. (U) These five acts have all been drafted and are currently in various stages of the interagency clearance process. The GOU has removed from this list regulatory acts governing job and residency permits for foreigners, and minimum indicative prices. After recent consultations with Working Party members, the GOU believes these particular regulatory acts are not required for accession. Post will send an updated legislation tracker to EUR/UMB by email.

GOU Anxious for Feedback on Laws

16. (U) Econoff met on January 10 with Vyacheslav Tsymbal, director of the Ministry of Economy's WTO Division, who said that the GOU is anxious to receive feedback from major trade partners on the recently-passed WTO legislation. Ukraine hopes that the next meeting of its WTO Working Party can take place in mid-February in order to maintain momentum towards accession. Tsymbal noted that the GOU would seek bilateral consultations with the United States prior to the Working Party meeting, preferably in late January, to discuss the legislation and agricultural support issues.

Beef and Pork Imports

17. (SBU) Tsymbal told Econoff that the Ministry of Economy believed its intervention (ref A) with the Ministry of Agriculture had solved the problems involving import of U.S. beef and pork. He said that trade should begin flowing normally, and reiterated the GOU desire to arrange for a system audit soon, asking if the USG could at least provide an estimated date for when the audit could occur. Econoff promised to forward the GOU request to Washington, but noted that it would likely take some time to confirm that trade is actually flowing freely.

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18. (SBU) So far, two shipments of U.S. beef have entered Ukraine in January 2007. A long-awaited shipment of U.S. beef liver landed in Odesa on January 4, was customs and veterinary cleared, and has been sold on the local markets. FAS Kyiv reports another shipment of approximately 75 tons of U.S. beef subsequently also cleared Ukrainian customs. (Comment: However, as this latter shipment was sourced only in EU-certified U.S. facilities and was brought in by an importer with a somewhat dubious reputation for business practices, post would caution these shipments are not yet conclusive evidence of the openness of Ukraine to the U.S. beef and pork trade.)

TAYLOR